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C O N F I D E N T I A L SECTION 01 OF 03 PORT AU PRINCE 000783

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STATE FOR WHA/EX AND WHA/CAR S/CRS SOUTHCOM ALSO FOR POLAD STATE PASS AID FOR LAC/CAR INR/IAA WHA/EX PLEASE PASS USOAS

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SUBJECT: ELECTORAL LAW PASSES PARLIAMENT; SENATE ELECTION

PREPARATIONS LIMP ALONG

REF: PORT AU PRINCE 537

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Classified By: Ambassador Janet A. Sanderson for reasons 1.4 (b) and (d).

¶1. (C) Summary: The possible date for elections for one-third of the Senate continues to slip farther into the future. Expanding CEP election budget projections now exceed pledged donor financing by USD 4 million. The CEP has rejected donor pleas to trim the election budget and continues to insist it is the responsibility of the international community to make up for the shortfall. CEP has also resisted pressuring the Government of Haiti to allocate funds to cover the gap. The CEP councilors now say they cannot propose an election date before securing financing for the entire budget. The electoral law necessary to authorize the elections remains in limbo between the Presidency and the Parliament, with significant budgetary consequences hanging in the balance. Parliament's additions to the law, now being contested by the President, would raise elections costs and lengthen the electoral timeline even further. Concrete CEP preparations for election day are minimal, although UNDP is in the process of establishing a "Trust Fund" to manage donor contributions. The onus now is on the GOH as a whole to come up with the final financing increment and kick the electoral process into action, before Haiti misses the boat completely and simply combines the 2007 Senate elections with the 2009 election lineup. End summary.

Roundtables Expose Tensions, Budget Problems

12. (C) During a series of twice-monthly roundtables designed to keep international community pressure on the CEP (reftel), representatives of the Embassy, the European Commission and the Canadian Embassy have consistently emphasized the importance of Senate elections to the consolidation of Haitian democracy. Up to and including Chiefs of Mission from all three major donors have asked the CEP to reduce the budget where possible and consolidate the electoral timeline. The CEP response has been to request additional donor financing, accuse donors of reducing their initial pledges, and ask the donors to pressure President Preval to dedicate more GOH resources to the Senate elections. On May 13, CEP President Verret asked donors to ''be more indulgent'' and

provide funds for the senate elections in addition to monies already pledged. The Ambassador assured the CEP of the continuing dedication of the international community to building Haitian institutions, but emphasized that funds are limited and the CEP must find a way to work within the resources available.

- ¶3. (C) The CEP's current budget estimate for the Senate elections is USD 15.1 million, but it expects an additional cost of up to USD 2 million resulting from requirements in the new electoral law. This would bring the total budget to over USD 17 million, with donor pledges coming in at just USD 13 million. CEP President Verret stated May 13 that he knows of no interested donors other than the US, EU and Canada who could help fill this gap. Despite donor and MINUSTAH objections, the CEP has made several recent increases to its budget, not specifically for senate elections but rather are to cover general expenses of the electoral apparatus. The budget increases are primarily for salaries of the departmental and communal electoral councils which MINUSTAH,s Electoral Assistance Section maintains should normally be included in Haiti's national budget.
- 14. (C) The President of the Republic is responsible for setting the election date, in consultation with the CEP. In past elections, the CEP sent President Preval a letter suggesting a date, and the President published the date in a decree. CEP President Verret stated May 13 that it is not possible to set a date before the promulgation of the electoral law or before the CEP is assured financing for the full budget -- which has now outstripped donor pledges. CEP councilor Ginette Cherubin echoed this comment to Poloff on May 21, stating that there is an ''unfavorable confluence'' of factors in which the donors have no more money to offer

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but continue to demand elections, while the GOH has no money to fill the gap. She noted that the Parliament has not passed the revised national budget, so no GOH funds are available for the CEP. Cherubin said the CEP must/must have enough funds pledged to cover the complete budget before it begins the countdown to election day.

15. (C) The CEP is in the process of renovating existing voting centers, according to Verret. The CEP has also been working with the OAS and MINUSTAH to determine the needs of the central Voter Tabulation Center in Port-au-Prince.

Preval Disagrees with Parliament's Costly Electoral Law

- 16. (C) Following two rounds of editing and voting by both chambers of Parliament, the Senate on May 20 adopted unanimously the new electoral law (reftel). Parliament sent the final version to the President of the Republic for promulgation, but the President on May 29 told Parliament he would not sign the law but would return it with edits. Parliament will have to address the President's changes in the extraordinary session that began May 29. Deputy Sorel Francois (Fanmi Lavalas, Port-au-Prince/Ouest) estimated to Poloff May 29 that Parliament's reconsideration of the law could take four or five weeks.
- 17. (C) The points of discord between Parliament and the Presidency have significant budgetary consequences. Parliament added to the law an article requiring the CEP to establish at least two voting centers per communal section, Haiti's smallest geographic delimitation. MINUSTAH Electoral Assistance estimates that the approximately 580 new voting centers needed would cost an additional USD 1.5 to 2 million. CEP President Verret believes the measure would also lengthen the 120-day timeline for election preparations. President Preval and advisors, with the input of MINUSTAH and the CEP, reworded the article to allow some flexibility in the determination of how many voting centers are required, which could eliminate much of the additional cost. In

another cost saving measure, the President's team is seeking to reduce the number of workers required at voting centers.

## UNDP Trust Fund Underway

18. (C) UNDP presented to donors May 13 a new ''Trust Fund'' agreement to manage donor contributions to the Senate elections. USAID submitted comments on the proposed Trust Fund document, and is awaiting UNDP,s response. UNDP reported to Poloff May 15 that Brazil and Japan have expressed interest in contributing to the new Trust Fund. In addition, UNDP has continued making payments from what remains of the 2005-2007 Election Trust Fund for ''essential CEP operations.'' UNDP assured donors May 15 that USD 1 million from the previous fund will be available to support the senatorial elections. (Note: UNDP also recently raised the fee it charges for administering the fund from 5 to 7 percent, per instructions from UNDP Headquarters. End note.)

## Comment: Are we at an Impasse?

19. (C) Senior GOH officials up to and including President Preval consistently complain that Haiti cannot afford the complicated series of elections imposed by the 1987 constitution. Helping corroborate that position, the CEP continues to expand the budget for these Senate elections to include items that do not meet donor criteria, and to exhort the donors to pick up the tab, all the while referring to the entire budget for senate elections as the ''international community budget.'' Meanwhile, CEP councilors have made no effort to secure GOH funding. At this point, many international and Haitian political actors are starting to doubt whether the CEP or President Preval have any interest in holding the senate elections this year. This conjecture envisions the GOH merging this tranche of Senate elections with the larger array of elections scheduled for 2009:

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elections for another third of the Senate, for the entire Chamber of Deputies, and for local and municipal positions. Until completion of the now overdue elections, the Senate will have only 18 members, with 16 required for a quorum, leaving the upper chamber handicapped. More international community assistance could get the current senate elections off the ground, but will not solve the fundamental problem of senior-level GOH indifference and a refractory CEP. Greater GOH engagement, both in terms of leadership and funding, will be necessary to move the elections forward. SANDERSON